

State of Arizona
House of Representatives
Forty-sixth Legislature
Second Regular Session
2004

CHAPTER 323

HOUSE BILL 2458

AN ACT

AMENDING SECTION 28-101, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2003, CHAPTER 168, SECTION 1; AMENDING SECTIONS 28-141 AND 28-142, ARIZONA REVISED STATUTES, AS ADDED BY LAWS 2003, CHAPTER 168, SECTION 3; AMENDING SECTION 28-364, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2003, CHAPTER 213, SECTION 1; REPEALING SECTION 28-364, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2003, CHAPTER 168, SECTION 4; AMENDING SECTION 28-4007, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2003, CHAPTER 168, SECTION 5; AMENDING TITLE 28, CHAPTER 9, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-4011; AMENDING SECTION 28-4032, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2003, CHAPTER 168, SECTION 7; AMENDING SECTION 28-4033, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2003, CHAPTER 168, SECTION 8; AMENDING SECTION 28-4144, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2003, CHAPTER 168, SECTION 12; AMENDING SECTION 41-2051, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2003, CHAPTER 168, SECTION 14; AMENDING SECTION 41-2052, ARIZONA REVISED STATUTES, AS ADDED BY LAWS 2003, CHAPTER 168, SECTION 15; AMENDING SECTION 41-2091, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2003, CHAPTER 168, SECTION 16; AMENDING SECTIONS 41-2095 AND 41-2096, ARIZONA REVISED STATUTES, AS ADDED BY LAWS 2003, CHAPTER 168, SECTION 18; AMENDING LAWS 2003, CHAPTER 168, SECTION 19; RELATING TO THE REGULATION OF TAXIS, LIMOUSINES AND LIVERY VEHICLES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 28-101, Arizona Revised Statutes, as amended by
3 Laws 2003, chapter 168, section 1, is amended to read:

4 28-101. Definitions

5 In this title, unless the context otherwise requires:

6 1. "Alcohol" means any substance containing any form of alcohol,
7 including ethanol, methanol, propynol and isopropynol.

8 2. "Alcohol concentration" if expressed as a percentage means either:

9 (a) The number of grams of alcohol per one hundred milliliters of
10 blood.

11 (b) The number of grams of alcohol per two hundred ten liters of
12 breath.

13 3. "All-terrain vehicle" means a motor vehicle that satisfies all of
14 the following:

15 (a) Is designed primarily for recreational nonhighway all-terrain
16 travel.

17 (b) Is fifty or fewer inches in width.

18 (c) Has an unladen weight of eight hundred pounds or less.

19 (d) Travels on three or more low pressure tires.

20 (e) Has a seat to be straddled by the operator and handlebars for
21 steering control.

22 (f) Is operated on a public highway.

23 4. "Authorized emergency vehicle" means any of the following:

24 (a) A fire department vehicle.

25 (b) A police vehicle.

26 (c) An ambulance or emergency vehicle of a municipal department or
27 public service corporation that is designated or authorized by the department
28 or a local authority.

29 (d) Any other ambulance, fire truck or rescue vehicle that is
30 authorized by the department in its sole discretion and that meets liability
31 insurance requirements prescribed by the department.

32 5. "Aviation fuel" means all flammable liquids composed of a mixture
33 of selected hydrocarbons expressly manufactured and blended for the purpose
34 of effectively and efficiently operating an internal combustion engine for
35 use in an aircraft but does not include fuel for jet or turbine powered
36 aircraft.

37 6. "Bicycle" means a device, including a racing wheelchair, that is
38 propelled by human power and on which a person may ride and that has either:

39 (a) Two tandem wheels, either of which is more than sixteen inches in
40 diameter.

41 (b) Three wheels in contact with the ground, any of which is more than
42 sixteen inches in diameter.

43 7. "Board" means the transportation board.

44 8. "Bus" means a motor vehicle designed for carrying sixteen or more
45 passengers, including the driver.

1 9. "Business district" means the territory contiguous to and including
2 a highway if there are buildings in use for business or industrial purposes
3 within any six hundred feet along the highway, including hotels, banks or
4 office buildings, railroad stations and public buildings that occupy at least
5 three hundred feet of frontage on one side or three hundred feet collectively
6 on both sides of the highway.

7 10. "Combination of vehicles" means a truck or truck tractor and
8 semitrailer and any trailer that it tows but does not include a forklift
9 designed for the purpose of loading or unloading the truck, trailer or
10 semitrailer.

11 11. "Controlled substance" means a substance so classified under
12 section 102(6) of the controlled substances act (21 United States Code
13 section 802(6)) and includes all substances listed in schedules I through V
14 of 21 Code of Federal Regulations part 1308.

15 12. "Conviction" means:

16 (a) An unvacated adjudication of guilt or a determination that a
17 person violated or failed to comply with the law in a court of original
18 jurisdiction or by an authorized administrative tribunal.

19 (b) An unvacated forfeiture of bail or collateral deposited to secure
20 the person's appearance in court.

21 (c) A plea of guilty or no contest accepted by the court.

22 (d) The payment of a fine or court costs.

23 13. "County highway" means a public road constructed and maintained by
24 a county.

25 14. "Dealer" means a person who is engaged in the business of buying,
26 selling or exchanging motor vehicles, trailers or semitrailers and who has
27 an established place of business.

28 15. "Department" means the department of transportation acting directly
29 or through its duly authorized officers and agents.

30 16. "Director" means the director of the department of transportation.

31 17. "Drive" means to operate or be in actual physical control of a
32 motor vehicle.

33 18. "Driver" means a person who drives or is in actual physical control
34 of a vehicle.

35 19. "Driver license" means a license that is issued by a state to an
36 individual and that authorizes the individual to drive a motor vehicle.

37 20. "Electric personal assistive mobility device" means a
38 self-balancing two non-tandem NONTANDEM wheeled device with an electric
39 propulsion system that limits the maximum speed of the device to fifteen
40 miles per hour or less and that is designed to transport only one person.

41 ~~21. "Executive sedan" means a motor vehicle used both as a taxi and a~~
42 ~~limousine.~~

43 22. 21. "Farm tractor" means a motor vehicle designed and used
44 primarily as a farm implement for drawing implements of husbandry.

1 ~~23.~~ 22. "Foreign vehicle" means a motor vehicle, trailer or
2 semitrailer that is brought into this state other than in the ordinary course
3 of business by or through a manufacturer or dealer and that has not been
4 registered in this state.

5 ~~24.~~ 23. "Golf cart" means a motor vehicle that has not less than three
6 wheels in contact with the ground, that has an unladen weight of less than
7 one thousand eight hundred pounds, that is designed to be and is operated at
8 not more than twenty-five miles per hour and that is designed to carry not
9 more than four persons including the driver.

10 ~~25.~~ 24. "Hazardous material" means a material, and its mixtures or
11 solutions, that the United States department of transportation determines
12 under 49 Code of Federal Regulations is capable of posing an unreasonable
13 risk to health, safety and property if transported in commerce and that is
14 required to be placarded or marked as required by the department's safety
15 rules prescribed pursuant to chapter 14 of this title.

16 ~~26.~~ 25. "Implement of husbandry" means a vehicle designed primarily
17 for agricultural purposes and used exclusively in the conduct of agricultural
18 operations, including an implement or vehicle whether self-propelled or
19 otherwise that meets all of the following conditions:

20 (a) Is used exclusively for carrying products of farming from one part
21 of a farm to another part of the same farm or from one farm to another farm.

22 (b) Is used solely for agricultural purposes including the preparation
23 or harvesting of cotton, alfalfa, grains and other farm crops.

24 (c) Is only incidentally operated or moved on a highway whether as a
25 trailer or self-propelled unit.

26 ~~27.~~ 26. "Limousine" means a motor vehicle that ~~is designed by the~~
27 ~~manufacturer and identified by the vehicle registration as a limousine if~~
28 ~~both the limousine and a driver are provided for hire solely by individual~~
29 ~~agreement and the service is not available for open solicitation by~~
30 ~~passengers on streets or at taxi stands.~~ PROVIDING PREARRANGED GROUND
31 TRANSPORTATION SERVICE FOR AN INDIVIDUAL PASSENGER, OR A GROUP OF PASSENGERS,
32 THAT IS ARRANGED IN ADVANCE OR IS OPERATED ON A REGULAR ROUTE OR BETWEEN
33 SPECIFIED POINTS AND INCLUDES GROUND TRANSPORTATION UNDER A CONTRACT OR
34 AGREEMENT FOR SERVICES THAT INCLUDES A FIXED RATE OR TIME AND IS PROVIDED IN
35 A MOTOR VEHICLE WITH A SEATING CAPACITY NOT EXCEEDING FIFTEEN PASSENGERS
36 INCLUDING THE DRIVER.

37 27. "LIVERY VEHICLE" MEANS A MOTOR VEHICLE THAT:

38 (a) HAS A SEATING CAPACITY NOT EXCEEDING FIFTEEN PASSENGERS INCLUDING
39 THE DRIVER.

40 (b) PROVIDES PASSENGER SERVICES FOR A FARE DETERMINED BY A FLAT RATE
41 OR FLAT HOURLY RATE BETWEEN GEOGRAPHIC ZONES OR WITHIN A GEOGRAPHIC AREA.

42 (c) IS AVAILABLE FOR HIRE ON AN EXCLUSIVE OR SHARED RIDE BASIS.

43 (d) MAY DO ANY OF THE FOLLOWING:

44 (i) OPERATE ON A REGULAR ROUTE OR BETWEEN SPECIFIED PLACES.

1 (ii) OFFER PREARRANGED GROUND TRANSPORTATION AS DEFINED IN SECTION
2 28-141.

3 (iii) OFFER ON DEMAND GROUND TRANSPORTATION SERVICE PURSUANT TO A
4 CONTRACT WITH A PUBLIC AIRPORT, LICENSED BUSINESS ENTITY OR ORGANIZATION.

5 28. "Local authority" means any county, municipal or other local board
6 or body exercising jurisdiction over highways under the constitution and laws
7 of this state.

8 29. "Manufacturer" means a person engaged in the business of
9 manufacturing motor vehicles, trailers or semitrailers.

10 30. "Moped" means a bicycle that is equipped with a helper motor if the
11 vehicle has a maximum piston displacement of fifty cubic centimeters or less,
12 a brake horsepower of one and one-half or less and a maximum speed of
13 twenty-five miles per hour or less on a flat surface with less than a one per
14 cent grade.

15 31. "Motor driven cycle" means a motorcycle, including every motor
16 scooter, with a motor that produces not more than five horsepower.

17 32. "Motor vehicle":

18 (a) Means either:

19 (i) A self-propelled vehicle.

20 (ii) For the purposes of the laws relating to the imposition of a tax
21 on motor vehicle fuel, a vehicle that is operated on the highways of this
22 state and that is propelled by the use of motor vehicle fuel.

23 (b) Does not include a motorized wheelchair, an electric personal
24 assistive mobility device or a motorized skateboard. For the purposes of this
25 subdivision:

26 (i) "Motorized skateboard" means a self-propelled device that
27 has a motor, a deck on which a person may ride and at least two tandem wheels
28 in contact with the ground.

29 (ii) "Motorized wheelchair" means a self-propelled wheelchair
30 that is used by a person for mobility.

31 33. "Motor vehicle fuel" includes all products that are commonly or
32 commercially known or sold as gasoline, including casinghead gasoline,
33 natural gasoline and all flammable liquids, and that are composed of a
34 mixture of selected hydrocarbons expressly manufactured and blended for the
35 purpose of effectively and efficiently operating internal combustion engines.
36 Motor vehicle fuel does not include inflammable liquids that are specifically
37 manufactured for racing motor vehicles and that are distributed for and used
38 by racing motor vehicles at a racetrack, use fuel as defined in section
39 28-5601, aviation fuel, fuel for jet or turbine powered aircraft or the
40 mixture created at the interface of two different substances being
41 transported through a pipeline, commonly known as transmix.

42 34. "Motorcycle" means a motor vehicle that has a seat or saddle for
43 the use of the rider and that is designed to travel on not more than three
44 wheels in contact with the ground but excluding a tractor and a moped.

1 35. "Neighborhood electric vehicle" means a self-propelled electrically
2 powered motor vehicle to which all of the following apply:

3 (a) The vehicle is emission free.

4 (b) The vehicle is designed to carry four or fewer persons.

5 (c) The vehicle is designed to be and is operated at speeds of
6 twenty-five miles per hour or less.

7 (d) The vehicle has at least four wheels in contact with the ground.

8 (e) The vehicle has an unladen weight of less than one thousand eight
9 hundred pounds.

10 36. "Nonresident" means a person who is not a resident of this state
11 as defined in section 28-2001.

12 37. "Off-road recreational motor vehicle" means a motor vehicle that
13 is designed primarily for recreational nonhighway all-terrain travel and that
14 is not operated on a public highway. Off-road recreational motor vehicle
15 does not mean a motor vehicle used for construction, building trade, mining
16 or agricultural purposes.

17 38. "Operator" means a person who drives a motor vehicle on a highway,
18 who is in actual physical control of a motor vehicle on a highway or who is
19 exercising control over or steering a vehicle being towed by a motor vehicle.

20 39. "Owner" means:

21 (a) A person who holds the legal title of a vehicle.

22 (b) If a vehicle is the subject of an agreement for the conditional
23 sale or lease with the right of purchase on performance of the conditions
24 stated in the agreement and with an immediate right of possession vested in
25 the conditional vendee or lessee, the conditional vendee or lessee.

26 (c) If a mortgagor of a vehicle is entitled to possession of the
27 vehicle, the mortgagor.

28 40. "Pedestrian" means any person afoot. A person who uses an electric
29 personal assistive mobility device or a manual or motorized wheelchair is
30 considered a pedestrian unless the manual wheelchair qualifies as a bicycle.
31 For the purposes of this paragraph, "motorized wheelchair" means a
32 self-propelled wheelchair that is used by a person for mobility.

33 41. "Power sweeper" means an implement, with or without motive power,
34 that is only incidentally operated or moved on a street or highway and that
35 is designed for the removal of debris, dirt, gravel, litter or sand whether
36 by broom, vacuum or regenerative air system from asphaltic concrete or cement
37 concrete surfaces, including parking lots, highways, streets and warehouses,
38 and a vehicle on which the implement is permanently mounted.

39 42. "Public transit" means the transportation of passengers on
40 scheduled routes by means of a conveyance on an individual passenger
41 fare-paying basis excluding transportation by a sight-seeing bus, school bus
42 or taxi or a vehicle not operated on a scheduled route basis.

43 43. "Reconstructed vehicle" means a vehicle that has been assembled or
44 constructed largely by means of essential parts, new or used, derived from
45 vehicles or makes of vehicles of various names, models and types or that, if

1 originally otherwise constructed, has been materially altered by the removal
2 of essential parts or by the addition or substitution of essential parts, new
3 or used, derived from other vehicles or makes of vehicles. For the purposes
4 of this paragraph, "essential parts" means integral and body parts, the
5 removal, alteration or substitution of which will tend to conceal the
6 identity or substantially alter the appearance of the vehicle.

7 44. "Residence district" means the territory contiguous to and
8 including a highway not comprising a business district if the property on the
9 highway for a distance of three hundred feet or more is in the main improved
10 with residences or residences and buildings in use for business.

11 45. "Right-of-way" when used within the context of the regulation of
12 the movement of traffic on a highway means the privilege of the immediate use
13 of the highway. Right-of-way when used within the context of the real
14 property on which transportation facilities and appurtenances to the
15 facilities are constructed or maintained means the lands or interest in lands
16 within the right-of-way boundaries.

17 46. "School bus" means a motor vehicle that is designed for carrying
18 more than ten passengers and that is either:

19 (a) Owned by any public or governmental agency or other institution
20 and operated for the transportation of children to or from home or school on
21 a regularly scheduled basis.

22 (b) Privately owned and operated for compensation for the
23 transportation of children to or from home or school on a regularly scheduled
24 basis.

25 ~~47. "Sedan" means a motor vehicle with a seating capacity of less than~~
26 ~~sixteen passengers, including the driver, and that meets all of the following~~
27 ~~requirements:~~

28 ~~(a) Has at least two doors for passenger ingress and egress.~~

29 ~~(b) Is furnished for hire on an exclusive basis.~~

30 ~~(c) Has a charge or fare based on a geographic area.~~

31 ~~48.~~ 47. "Semitrailer" means a vehicle that is with or without motive
32 power, other than a pole trailer, that is designed for carrying persons or
33 property and for being drawn by a motor vehicle and that is constructed so
34 that some part of its weight and that of its load rests on or is carried by
35 another vehicle. For the purposes of this paragraph, "pole trailer" has the
36 same meaning prescribed in section 28-601.

37 ~~49.~~ 48. "State" means a state of the United States and the District
38 of Columbia.

39 ~~50.~~ 49. "State highway" means a state route or portion of a state
40 route that is accepted and designated by the board as a state highway and
41 that is maintained by the state.

42 ~~51.~~ 50. "State route" means a right-of-way whether actually used as
43 a highway or not that is designated by the board as a location for the
44 construction of a state highway.

1 ~~52.~~ 51. "Street" or "highway" means the entire width between the
2 boundary lines of every way if a part of the way is open to the use of the
3 public for purposes of vehicular travel.

4 ~~53.~~ 52. "Taxi" means a motor vehicle THAT HAS A SEATING CAPACITY NOT
5 EXCEEDING FIFTEEN PASSENGERS, INCLUDING THE DRIVER, THAT IS REGISTERED AS A
6 TAXI IN THIS STATE OR ANY OTHER STATE, THAT PROVIDES PASSENGER SERVICES AND
7 THAT:

8 (a) DOES NOT OPERATE ON A REGULAR ROUTE OR BETWEEN SPECIFIED PLACES.

9 (b) OFFERS LOCAL TRANSPORTATION FOR A FARE DETERMINED PRIMARILY ON THE
10 BASIS OF THE DISTANCE TRAVELED. ~~not including a limousine, that meets all~~
11 ~~of the following requirements:~~

12 ~~(a) Has a seating capacity of less than sixteen passengers, excluding~~
13 ~~the driver.~~

14 ~~(b) Has at least two doors for passenger ingress and egress.~~

15 ~~(c) Is furnished for hire on an exclusive basis.~~

16 ~~(d) Has a charge or fare based on time or mileage or both time and~~
17 ~~mileage.~~

18 ~~54.~~ 53. "Trailer" means a vehicle that is with or without motive
19 power, other than a pole trailer, that is designed for carrying persons or
20 property and for being drawn by a motor vehicle and that is constructed so
21 that no part of its weight rests on the towing vehicle. A semitrailer
22 equipped with an auxiliary front axle commonly known as a dolly is deemed to
23 be a trailer. For the purposes of this paragraph, "pole trailer" has the same
24 meaning prescribed in section 28-601.

25 ~~55.~~ 54. "Truck" means a motor vehicle designed or used primarily for
26 the carrying of property other than the effects of the driver or passengers
27 and includes a motor vehicle to which has been added a box, a platform or
28 other equipment for such carrying.

29 ~~56.~~ 55. "Truck tractor" means a motor vehicle that is designed and
30 used primarily for drawing other vehicles and that is not constructed to
31 carry a load other than a part of the weight of the vehicle and load drawn.

32 ~~57.~~ 56. "Vehicle" means a device in, on or by which a person or
33 property is or may be transported or drawn on a public highway, excluding
34 devices moved by human power or used exclusively on stationary rails or
35 tracks.

36 ~~58.~~ 57. "Vehicle transporter" means either:

37 (a) A truck tractor capable of carrying a load and drawing a
38 semitrailer.

39 (b) A truck tractor with a stinger-steered fifth wheel capable of
40 carrying a load and drawing a semitrailer or a truck tractor with a dolly
41 mounted fifth wheel that is securely fastened to the truck tractor at two or
42 more points and that is capable of carrying a load and drawing a semitrailer.

1 Sec. 2. Section 28-141, Arizona Revised Statutes, is amended to read:

2 28-141. Prearranged ground transportation; applicability;
3 definitions

4 A. The department shall not require a license or impose a fee on a
5 motor vehicle providing prearranged ground transportation service if the
6 motor carrier providing the service does all of the following:

7 1. Meets all applicable registration requirements for the interstate
8 transportation of passengers under the ICC termination act of 1995 (P.L.
9 104-88; 109 Stat. 879; 49 United States Code sections 13901 through 13908).

10 2. Meets all applicable vehicle and intrastate passenger licensing
11 requirements of the state in which the vehicle is domiciled or registered to
12 do business.

13 3. Provides the service pursuant to a contract for either of the
14 following:

15 (a) Transportation from this state, including intermediate stops, to
16 a destination in another state.

17 (b) Transportation from this state, including intermediate stops in
18 another state, to a destination in this state.

19 B. For the purposes of this section:

20 1. "Intermediate stop" means a pause in the transportation in order
21 for one or more passengers to engage in personal or business activity, but
22 only if the driver providing the transportation to the passenger does not,
23 before resuming the transportation of the passenger or at least one of the
24 passengers, provide transportation to any other person not included among the
25 passengers being transported when the pause began.

26 2. "Prearranged ground transportation service" means transportation
27 for a passenger or a group of passengers that is arranged in advance or that
28 is operated on a regular route or between specified points. ~~and that is~~
29 ~~provided in a motor vehicle with a seating capacity of less than sixteen~~
30 ~~passengers, including the driver.~~

31 Sec. 3. Section 28-142, Arizona Revised Statutes, as added by Laws
32 2003, chapter 168, section 3, is amended to read:

33 28-142. Political subdivisions; public airports; taxis,
34 limousines

35 This title does not prohibit a political subdivision of this state or
36 a public airport operator that operates a public airport pursuant to section
37 28-8421, 28-8423 or 28-8424 from establishing the number of taxis, LIVERY
38 VEHICLES OR limousines, ~~sedans or executive sedans~~ that may conduct business
39 in the political subdivision or at a public airport operating pursuant to
40 section 28-8421, 28-8423 or 28-8424 or from setting additional or more
41 restrictive requirements for the conduct of that business.

1 Sec. 4. Section 28-364, Arizona Revised Statutes, as amended by Laws
2 2003, chapter 213, section 1, is amended to read:

3 28-364. Powers of the director

4 A. The director may provide technical transportation planning
5 expertise to local governments when requested, coordinate local government
6 transportation planning with regional and state transportation planning and
7 guide local transportation planning to assure compliance with federal
8 requirements. The planning authority granted by this subsection does not
9 preempt planning responsibilities and decisions of local governments.

10 B. If the governor declares a state of emergency, the director may
11 contract and do all things necessary to provide emergency transportation
12 services for the residents in the affected areas whether the emergency
13 transportation is by street, rail or air.

14 C. On a determination that it is in this state's best interest, the
15 director may authorize payment for necessary relocation costs in advance of
16 work being performed if an existing facility owned by the United States must
17 be relocated or adjusted due to construction, modification or improvement of
18 a state highway. The director shall base each advance payment on an estimate
19 of cost of the proposed relocation or adjustment prepared by the federal
20 government and acceptable to the director and shall base the final
21 compensation on the actual agreed cost.

22 D. The director of the department of transportation in consultation
23 with the director of the department of public safety shall develop procedures
24 to exchange information for any purpose related to sections 28-1324, 28-1325,
25 28-1326, 28-1462 and 28-3318.

26 E. THE DIRECTOR OF THE DEPARTMENT OF TRANSPORTATION IN CONJUNCTION
27 WITH THE DIRECTOR OF THE DEPARTMENT OF WEIGHTS AND MEASURES SHALL DEVELOP
28 PROCEDURES TO ELECTRONICALLY EXCHANGE AND RECORD INFORMATION BETWEEN THE
29 DEPARTMENTS FOR ENFORCEMENT PURPOSES OR ANY OTHER PURPOSE THAT THE DIRECTORS
30 DEEM NECESSARY RELATED TO THE REGISTRATION AND LICENSING OF TAXIS, LIVERY
31 VEHICLES OR LIMOUSINES.

32 Sec. 5. Repeal

33 Section 28-364, Arizona Revised Statutes, as amended by Laws 2003,
34 chapter 168, section 4, is repealed.

35 Sec. 6. Section 28-4007, Arizona Revised Statutes, as amended by Laws
36 2003, chapter 168, section 5, is amended to read:

37 28-4007. Self-insurers

38 A. Except as provided in subsection E of this section, a person in
39 whose name more than ~~twenty-five~~ TEN motor vehicles are registered or who is
40 required to comply with the financial responsibility requirements prescribed
41 in article 2 of this chapter may qualify as a self-insurer OR PARTIAL
42 SELF-INSURER by obtaining a certificate of self-insurance OR PARTIAL
43 SELF-INSURANCE issued by the director as provided in this section.

44 B. ~~On the person's application~~ AFTER DETERMINING THAT THE PERSON IS
45 FINANCIALLY ABLE AND WILL CONTINUE TO BE ABLE TO PAY JUDGMENTS OBTAINED

1 AGAINST THE PERSON, the director may issue a certificate of self-insurance
2 if the director is satisfied that the person is able and will continue to be
3 able to pay judgments obtained against the person OR PARTIAL SELF-INSURANCE.

4 C. On not less than five days' notice and after a hearing, the
5 director may cancel a certificate of self-insurance OR A CERTIFICATE OF
6 PARTIAL SELF-INSURANCE on reasonable grounds. FOR THE PURPOSES OF THIS
7 SUBSECTION, "REASONABLE GROUNDS" INCLUDES ANY OF THE FOLLOWING CIRCUMSTANCES:

8 1. Failure to pay a judgment within thirty days after the judgment
9 becomes final is a reasonable ground for the cancellation of a certificate
10 of self-insurance.

11 2. DETERMINATION BY THE DIRECTOR THAT THE PERSON HAS NOT COMPLIED WITH
12 THE FINANCIAL RESPONSIBILITY REQUIREMENTS OF THIS CHAPTER.

13 3. DETERMINATION BY THE DIRECTOR THAT THE PERSON KNOWINGLY SUBMITTED
14 FALSE INFORMATION THAT IS REQUIRED BY THIS CHAPTER TO THIS STATE, A POLITICAL
15 SUBDIVISION OF THIS STATE, A COURT OR A LAW ENFORCEMENT AGENCY.

16 4. DETERMINATION BY THE DIRECTOR THAT THE PERSON KNOWINGLY FAILED TO
17 RESPOND WITHIN THIRTY DAYS TO A CLAIM FOR DAMAGES FOR LIABILITY ARISING OUT
18 OF THE OWNERSHIP, MAINTENANCE OR USE OF A MOTOR VEHICLE.

19 5. DETERMINATION BY THE DIRECTOR THAT THE PERSON DOES NOT MEET THE
20 BOND REQUIREMENTS PRESCRIBED IN SECTION 28-4011.

21 D. ~~Except as provided in subsection E of this section, A person who~~
22 ~~is required to comply with the financial responsibility requirements~~
23 ~~prescribed in article 2 of this chapter may apply FILE AN APPLICATION WITH~~
24 ~~THE DEPARTMENT for partial self-insurance to cover any portion of the~~
25 ~~financial responsibility requirements.~~

26 E. ~~A person who is required to comply with the financial~~
27 ~~responsibility requirements prescribed in section 28-4033, subsection A for~~
28 ~~a taxi, limousine, sedan or executive sedan does not qualify as a~~
29 ~~self-insurer.~~

30 E. A PERSON MAY ALSO QUALIFY AS A SELF-INSURER IF THE PERSON IS
31 INSURED BY A CAPTIVE INSURER THAT IS DOMICILED AND AUTHORIZED BY THE
32 DEPARTMENT OF INSURANCE TO TRANSACT BUSINESS IN THIS STATE AND THAT PROVIDES
33 COVERAGE IN AN AMOUNT OF AT LEAST THAT REQUIRED BY SECTION 28-4033.

34 F. A PERSON APPLYING FOR SELF-INSURANCE OR PARTIAL SELF-INSURANCE
35 PURSUANT TO THIS SECTION SHALL COMPLY WITH BOTH OF THE FOLLOWING AT THE TIME
36 OF APPLICATION:

37 1. THE PERSON SHALL SUBMIT EVIDENCE IN A FORM PRESCRIBED BY THE
38 DIRECTOR THAT THE PERSON IS FINANCIALLY ABLE AND WILL CONTINUE TO BE ABLE TO
39 PAY THE ENTIRE AMOUNT OF SELF-INSURANCE OR PARTIAL SELF-INSURANCE ALLOWED BY
40 THE DIRECTOR FOR JUDGMENTS OBTAINED AGAINST THE PERSON FOR LIABILITY ARISING
41 OUT OF THE OWNERSHIP, MAINTENANCE OR USE OF A MOTOR VEHICLE.

42 2. IF APPLICABLE, THE PERSON SHALL SUBMIT EVIDENCE IN A FORM
43 PRESCRIBED BY THE DIRECTOR THAT THE PERSON HAS A VALID INSURANCE POLICY THAT
44 MEETS THE REQUIREMENTS PRESCRIBED IN SECTION 28-4033 AND THAT IS ISSUED BY

1 AN INSURER THAT HOLDS A VALID CERTIFICATE OF AUTHORITY OR THAT IS PERMITTED
2 TO TRANSACT SURPLUS LINES INSURANCE IN THIS STATE.

3 G. THE DIRECTOR MAY ADOPT RULES TO IMPLEMENT THIS SECTION, INCLUDING
4 RULES REQUIRING ADDITIONAL EVIDENCE THAT THE PERSON MEETS THE FINANCIAL
5 RESPONSIBILITY REQUIREMENTS OF THIS CHAPTER AND RULES PROVIDING FOR THE
6 PERIODIC SUBMISSION OF EVIDENCE DEMONSTRATING THAT THE PERSON MEETS THE
7 STANDARDS REQUIRED BY THE DEPARTMENT TO QUALIFY AS A SELF-INSURER, A CAPTIVE
8 INSURER OR PARTIAL SELF-INSURER.

9 H. THE DIRECTOR OF THE DEPARTMENT OF TRANSPORTATION, IN CONSULTATION
10 WITH THE DIRECTOR OF THE DEPARTMENT OF INSURANCE, MAY ESTABLISH PROCEDURES
11 THAT ALLOW A PERSON TO APPLY FOR AND FILE A CERTIFICATE OF EITHER PARTIAL
12 SELF-INSURANCE OR SELF-INSURANCE.

13 I. THE DIRECTOR OF THE DEPARTMENT OF TRANSPORTATION, IN CONSULTATION
14 WITH THE DIRECTOR OF THE DEPARTMENT OF INSURANCE, SHALL ESTABLISH PROCEDURES
15 TO EXCHANGE INFORMATION REGARDING CHANGES IN THE SELF-INSURANCE STATUS OF
16 PERSONS WHO ARE SUBJECT TO THIS SECTION.

17 Sec. 7. Title 28, chapter 9, article 1, Arizona Revised Statutes, is
18 amended by adding section 28-4011, to read:

19 28-4011. Bonds; motor carriers; amount; failure of security

20 A. A SELF-INSURER OR PARTIAL SELF-INSURER SHALL FILE A BOND WITH THE
21 DIRECTOR ON A FORM APPROVED BY THE DIRECTOR WITH A SURETY COMPANY AUTHORIZED
22 BY THE CORPORATION COMMISSION TO TRANSACT BUSINESS IN THIS STATE AS SURETY
23 ON THE BOND. THE SELF-INSURER OR PARTIAL SELF-INSURER SHALL BE THE PRINCIPAL
24 OBLIGOR AND THIS STATE SHALL BE THE OBLIGEE ON THE BOND. THE BOND SHALL BE
25 CONDITIONED ON THE COMPLIANCE BY THE SELF-INSURER OR PARTIAL SELF-INSURER
26 WITH LAWS GOVERNING MOTOR CARRIERS.

27 B. THE DIRECTOR SHALL FIX THE TOTAL AMOUNT OF THE BOND REQUIRED OF A
28 SELF-INSURER OR PARTIAL SELF-INSURER AND MAY INCREASE OR REDUCE THE AMOUNT
29 AT ANY TIME, SUBJECT TO THE LIMITATIONS PROVIDED IN THIS SECTION. THE BOND
30 REQUIRED OF A SELF-INSURER OR PARTIAL SELF-INSURER SHALL BE AT LEAST TWO
31 HUNDRED FIFTY THOUSAND DOLLARS.

32 C. A SELF-INSURER OR PARTIAL SELF-INSURER MAY REQUEST IN WRITING THAT
33 THE DIRECTOR REDUCE A BOND REQUIRED PURSUANT TO THIS SECTION. THE DIRECTOR
34 MAY REDUCE A BOND IF THE DIRECTOR DETERMINES THAT THE SELF-INSURER OR PARTIAL
35 SELF-INSURER HAS CONTINUOUSLY COMPLIED WITH THIS ARTICLE AND THE SELF-INSURER
36 OR PARTIAL SELF-INSURER HAS NOT INCURRED CLAIMS FOR ACCIDENTS INVOLVING MOTOR
37 VEHICLES FOR AT LEAST THE PREVIOUS THREE CONSECUTIVE YEARS. IF THE DIRECTOR
38 DETERMINES THAT THE REDUCTION OF THE BOND WOULD JEOPARDIZE PUBLIC SAFETY, THE
39 DIRECTOR MAY ELECT TO RETAIN THE BOND OR MAY INCREASE THE BOND AMOUNT
40 REQUIRED. A PERSON WHO IS AGGRIEVED BY A DECISION OF THE DIRECTOR PURSUANT
41 TO THIS SUBSECTION MAY APPEAL THE DECISION BY REQUESTING A HEARING.

42 D. IF LIABILITY ON THE BOND FILED BY THE SELF-INSURER OR PARTIAL
43 SELF-INSURER WITH THE DIRECTOR IS DISCHARGED OR REDUCED OR IF IN THE OPINION
44 OF THE DIRECTOR A SURETY ON THE BOND GIVEN HAS BECOME UNSATISFACTORY OR
45 UNACCEPTABLE, THE DIRECTOR MAY REQUIRE THE SELF-INSURER OR PARTIAL

1 SELF-INSURER TO FILE A NEW BOND WITH SATISFACTORY SURETIES IN THE SAME
2 AMOUNT. IF THE SELF-INSURER OR PARTIAL SELF-INSURER FAILS TO FILE A NEW BOND
3 AS REQUIRED, THE DIRECTOR SHALL CANCEL THE PERSON'S CERTIFICATE OF
4 SELF-INSURANCE OR PARTIAL SELF-INSURANCE IMMEDIATELY. IF A NEW BOND IS
5 FURNISHED BY THE SELF-INSURER OR PARTIAL SELF-INSURER, THE DIRECTOR SHALL
6 CANCEL AND SURRENDER THE BOND FOR WHICH THE NEW BOND IS SUBSTITUTED.

7 E. IF THE DIRECTOR DECIDES THAT THE AMOUNT OF THE EXISTING BOND IS
8 INSUFFICIENT TO ENSURE THE SAFETY OF THE PUBLIC AND THE DIRECTOR GIVES THE
9 SELF-INSURER OR PARTIAL SELF-INSURER FIVE DAYS WRITTEN NOTICE MAILED TO THE
10 SELF-INSURER'S OR PARTIAL SELF-INSURER'S LAST KNOWN ADDRESS, ON THE WRITTEN
11 DEMAND OF THE DIRECTOR, THE SELF-INSURER OR PARTIAL SELF-INSURER SHALL
12 IMMEDIATELY FILE AN ADDITIONAL BOND IN THE SAME MANNER AND FORM WITH A SURETY
13 COMPANY ON THE BOND APPROVED BY THE DIRECTOR IN AN AMOUNT DETERMINED BY THE
14 DIRECTOR AS NECESSARY TO PROTECT PUBLIC SAFETY AT ALL TIMES. IF THE
15 SELF-INSURER OR PARTIAL SELF-INSURER FAILS TO FILE AN ADDITIONAL BOND AS
16 REQUIRED, THE DIRECTOR SHALL IMMEDIATELY CANCEL THE CERTIFICATE OF
17 SELF-INSURANCE OR PARTIAL SELF-INSURANCE OF THE PERSON.

18 F. A SURETY ON A BOND FURNISHED BY A SELF-INSURER OR PARTIAL
19 SELF-INSURER SHALL BE RELEASED AND DISCHARGED FROM ALL LIABILITY TO THIS
20 STATE ACCRUING ON THE BOND ON THE LAST DAY OF THE MONTH THAT INCLUDES THE
21 SIXTIETH DAY AFTER THE DATE ON WHICH THE SURETY FILES WITH THE DIRECTOR A
22 WRITTEN REQUEST TO BE RELEASED AND DISCHARGED. THE REQUEST DOES NOT RELIEVE,
23 RELEASE OR DISCHARGE THE SURETY FROM LIABILITY ALREADY ACCRUED OR FROM
24 LIABILITY THAT ACCRUES BEFORE THE LAST DAY OF THE MONTH THAT INCLUDES THE END
25 OF THE SIXTY DAY PERIOD. ON RECEIPT OF NOTICE OF THE REQUEST, THE DIRECTOR
26 SHALL PROMPTLY NOTIFY THE SELF-INSURER OR PARTIAL SELF-INSURER WHO FURNISHED
27 THE BOND AND SHALL IMMEDIATELY CANCEL THE CERTIFICATE OF SELF-INSURANCE OR
28 PARTIAL SELF-INSURANCE OF THE PERSON, UNLESS THE SELF-INSURER OR PARTIAL
29 SELF-INSURER, ON OR BEFORE THE LAST DAY OF THE MONTH THAT INCLUDES THE END
30 OF THE SIXTY DAY PERIOD, FILES WITH THE DIRECTOR A NEW BOND WITH A SURETY
31 COMPANY SATISFACTORY TO THE DIRECTOR IN THE AMOUNT AND FORM PROVIDED IN THIS
32 SECTION. IF A NEW BOND IS FURNISHED BY THE SELF-INSURER OR PARTIAL
33 SELF-INSURER, THE DIRECTOR SHALL CANCEL AND SURRENDER THE BOND FOR WHICH THE
34 NEW BOND IS SUBSTITUTED.

35 Sec. 8. Section 28-4032, Arizona Revised Statutes, as amended by Laws
36 2003, chapter 168, section 7, is amended to read:

37 28-4032. Persons subject to financial responsibility
38 requirements

39 A. Notwithstanding any other statute:

40 1. A person who operates in the furtherance of a commercial enterprise
41 in this state a motor vehicle or vehicle combination that has a declared
42 gross weight of more than twenty thousand pounds shall comply with the
43 financial responsibility requirements of this article and article 4 of this
44 chapter.

1 2. A person who operates a motor vehicle or vehicle combination for
2 the purpose of transporting hazardous materials, hazardous substances or
3 hazardous wastes as defined by the department shall comply with the financial
4 responsibility requirements of this article and article 4 of this chapter
5 unless any of the following applies:

6 (a) The transportation of hazardous materials, hazardous substances
7 or hazardous wastes is incidental to the principal purpose of the vehicular
8 travel at the time the transportation occurs.

9 (b) The transportation of hazardous materials, hazardous substances
10 or hazardous wastes is not in the furtherance of a commercial enterprise.

11 (c) The transportation of an amount of hazardous material listed in
12 49 Code of Federal Regulations section 172.504(a) table two is less than one
13 thousand pounds or not more than one hundred ten gallons for a combustible
14 liquid.

15 B. A person who operates a bus used to transport passengers for hire,
16 other than a car pool operator, shall comply with the financial
17 responsibility requirements of this article and article 4 of this chapter.
18 This subsection does not apply to a car pool operator. For the purposes of
19 this subsection, "car pool operator" means a natural person when engaged
20 either regularly or occasionally in carrying one or more other persons by
21 motor vehicle on a public highway, with or without compensation, if the
22 carriage of the other person or persons is both:

23 1. Not for profit. A car pool operator is conclusively presumed not
24 to be carrying persons for profit if either:

25 (a) The operator receives compensation of not more than twenty cents
26 per mile for total vehicle miles traveled, except that the proportionate
27 share of the car pool operator shall be included in the amount.

28 (b) The operator carries one or more of the operator's passengers in
29 consideration of the operator being carried in like situations by the
30 passenger or passengers. The receipt of compensation of more than twenty
31 cents per mile for total vehicle miles traveled does not preclude a car pool
32 operator from showing that this compensation does not result in a profit to
33 the operator or that the operator did not intend that a profit result.

34 2. Incidental to another purpose of the car pool operator. Except in
35 unusual circumstances, the carriage is incidental to another purpose of the
36 operator if the operator is not making the trip solely for the purpose of
37 carrying a passenger. A car pool operator is conclusively presumed not to
38 be transporting passengers for hire.

39 C. A person who is listed on the department's records as the owner of
40 a taxi, LIVERY VEHICLE OR limousine, ~~sedan or executive sedan~~ used to
41 transport passengers for hire shall comply with the financial responsibility
42 requirements of this article and article 4 of this chapter.

1 Sec. 9. Section 28-4033, Arizona Revised Statutes, as amended by Laws
2 2003, chapter 168, section 8, is amended to read:

3 28-4033. Financial responsibility requirements

4 A. A person subject to the requirements of this article shall maintain
5 motor vehicle combined single limit liability insurance as follows:

6 1. For the transportation of nonhazardous property:

7 (a) For a vehicle with a gross vehicle weight of more than twenty-six
8 thousand pounds, minimum coverage in the amount of seven hundred fifty
9 thousand dollars.

10 (b) For a vehicle with a gross vehicle weight of twenty thousand one
11 pounds to twenty-six thousand pounds, minimum coverage in the amount of three
12 hundred thousand dollars.

13 2. For the transportation of passengers:

14 (a) In a vehicle with a seating capacity of sixteen passengers or
15 more, minimum coverage in the amount of five million dollars and uninsured
16 motorist coverage in the amount of at least three hundred thousand dollars.

17 (b) In a vehicle with a seating capacity of less than sixteen
18 passengers INCLUDING THE DRIVER, BUT MORE THAN EIGHT PASSENGERS INCLUDING THE
19 DRIVER, minimum coverage in the amount of seven hundred fifty thousand
20 dollars and uninsured motorist coverage in the amount of at least three
21 hundred thousand dollars.

22 (c) ~~In a taxi, limousine, executive sedan or sedan~~ VEHICLE WITH A
23 SEATING CAPACITY OF NOT MORE THAN EIGHT PASSENGERS INCLUDING THE DRIVER, a
24 policy containing minimum coverage in the amount of three hundred thousand
25 dollars and uninsured motorist coverage in the amount of at least seven
26 hundred fifty THREE HUNDRED thousand dollars issued by an insurer that holds
27 a valid certificate of authority or that is permitted to transact surplus
28 lines insurance in this state.

29 3. For the transportation of hazardous materials, hazardous substances
30 or hazardous wastes:

31 (a) Minimum coverage in the amount of five million dollars for the
32 transportation of:

33 (i) Hazardous substances, as defined in 49 Code of Federal Regulations
34 part 171, transported in a cargo tank, portable tank or hopper-type vehicle
35 with capacities in excess of three thousand five hundred water gallons.

36 (ii) Any quantity of class A or B explosives.

37 (iii) Any quantity of poison gas (poison A).

38 (iv) Liquefied compressed gas or compressed gas transported in a cargo
39 tank, portable tank or hopper-type vehicle with capacities in excess of three
40 thousand five hundred water gallons.

41 (v) The quantity of radioactive materials that requires specialized
42 handling and transportation controls as indicated in 49 Code of Federal
43 Regulations part 173.

44 (b) Minimum coverage in the amount of one million dollars for the
45 transportation of the following:

1 (i) Any quantity of oil listed in 49 Code of Federal Regulations
2 part 172.

3 (ii) Any quantity of hazardous wastes, hazardous materials or
4 hazardous substances as defined and listed in 49 Code of Federal Regulations
5 part 171 and in 49 Code of Federal Regulations part 172 but not included in
6 subdivision (a) of this paragraph.

7 B. If a motor vehicle is leased or rented, the lessor shall ensure
8 that the lessee is covered under the lessor's liability insurance as provided
9 by this section or the lessor shall require that the lessee meet the
10 financial responsibility requirements of this section. In the case of taxis,
11 LIVERY VEHICLES OR limousines, ~~executive sedans and sedans~~, a person who is
12 listed on the department's records as the owner shall comply with the
13 financial responsibility requirements of this article and article 4 of this
14 chapter.

15 C. If a lessee uses the motor vehicle for a purpose that is required
16 under this section to have a higher amount of financial responsibility than
17 was required of the lessor or renter, the lessee shall maintain the higher
18 financial responsibility requirements of this section.

19 D. The uninsured motorist coverage required by this section is not
20 required until June 1, 1987 and may be provided by a self-insurance program
21 authorized under section 28-4007. A person who is under contract with this
22 state or a political subdivision of this state, who operates a motor vehicle
23 owned by this state or a political subdivision of this state and who is
24 included in the self-insurance program of this state or a political
25 subdivision of this state is exempt from the uninsured motorist requirements
26 of this section.

27 Sec. 10. Section 28-4144 Arizona Revised Statutes, as amended by Laws
28 2003, chapter 168, section 12, is amended to read:

29 28-4144. Notice; suspension; reinstatement fees

30 A. If the owner's response to a mailing pursuant to section 28-4143
31 indicates that the motor vehicle does not meet the financial responsibility
32 requirement of section 28-4135 or section 28-4033, subsection A, paragraph
33 2, subdivision (c), the department shall send a suspension notice to the
34 owner that states:

35 1. The motor vehicle does not meet the financial responsibility
36 requirements.

37 2. The owner's driver license and motor vehicle registration will be
38 suspended fifteen days after the date the suspension notice is mailed and,
39 if the owner is required to comply with section 28-4033, subsection A,
40 paragraph 2, subdivision (c), that all motor vehicles THAT ARE registered to
41 the owner AND THAT DO NOT MEET THE FINANCIAL RESPONSIBILITY REQUIREMENTS will
42 be suspended fifteen days after the date the notice is mailed unless either:

43 (a) The owner produces additional evidence to the department on or
44 before the effective date of the suspension that the financial responsibility

1 requirement of section 28-4135 or section 28-4033, subsection A, paragraph
2 2, subdivision (c) was met for the vehicle on the date of the accident.

3 (b) The owner requests a hearing.

4 B. If a response is not received within thirty days after the date the
5 original notice requiring proof of financial responsibility is mailed, the
6 department shall:

7 1. Send a suspension notice to the owner that the owner's driver
8 license and motor vehicle registration or registration privilege will be
9 suspended fifteen days after the date the suspension notice is mailed and,
10 if the owner is required to comply with section 28-4033, subsection A,
11 paragraph 2, subdivision (c), that all motor vehicles THAT ARE registered to
12 the owner AND THAT DO NOT MEET THE FINANCIAL RESPONSIBILITY REQUIREMENTS will
13 be suspended fifteen days after the date the notice is mailed unless the
14 owner submits evidence of financial responsibility or proof that the vehicle
15 was sold pursuant to section 28-4143 before the effective date of the
16 suspension.

17 2. If a response or evidence of financial responsibility or proof of
18 vehicle sale pursuant to section 28-4143 is not received within the required
19 time, suspend the motor vehicle registration or registration privilege,
20 license plate and driver license.

21 3. If there is no other basis for the suspension and evidence of
22 financial responsibility or evidence of vehicle sale is later submitted,
23 verify the evidence of financial responsibility or sale pursuant to section
24 28-4143 and remove the suspension from the public record if financial
25 responsibility is proven.

26 C. Except as provided in subsection B of this section, if the motor
27 vehicle registration, registration privilege, license plate or driver license
28 is suspended pursuant to section 28-4143 or this section:

29 1. The suspension is for a minimum of one year.

30 2. The department shall not terminate the suspension until the
31 applicant both:

32 (a) Files with the department proof of financial responsibility in
33 accordance with article 3 of this chapter.

34 (b) Pays to the department a ten dollar fee for the reinstatement of
35 the driver license and a twenty-five dollar fee for the reinstatement of the
36 motor vehicle registration and license plate, except that these fees do not
37 apply to a suspension removed pursuant to subsection B of this section or to
38 a suspension applicable to a person who is required to comply with the
39 financial responsibility requirements prescribed in article 2 of this chapter
40 unless the person was required to comply with the financial responsibility
41 requirements prescribed in section 28-4033, subsection A, paragraph 2,
42 subdivision (c).

1 Sec. 11. Section 41-2051, Arizona Revised Statutes, as amended by Laws
2 2003, chapter 168, section 14, is amended to read:

3 41-2051. Definitions

4 In this chapter, unless the context otherwise requires:

5 1. "Biodiesel" means a diesel fuel substitute that satisfies all of
6 the following:

7 (a) Is produced from nonpetroleum renewable resources if the
8 qualifying volume of nonpetroleum renewable resources meets the standards for
9 California diesel fuel as adopted by the California air resources board
10 pursuant to 13 California code of regulations sections 2281 and 2282 in
11 effect on January 1, 2000.

12 (b) Meets the registration requirement for fuels and additives
13 established by the environmental protection agency pursuant to section 211
14 of the clean air act as defined in section 49-401.01.

15 (c) The use of the diesel fuel substitute complies with the
16 requirements listed in 10 Code of Federal Regulations part 490, as printed
17 in the federal register, volume 64, number 96, May 19, 1999.

18 (d) Is sold, offered or exposed for sale as a neat product or blended
19 with diesel fuel.

20 2. "Certification" means the process of determining the accuracy of
21 a commercial device to the standards of this state by a registered service
22 representative or the department.

23 3. "Commercial device" means any weighing, measuring, metering or
24 counting device that is used to determine the direct cost of things sold or
25 offered or exposed for sale, or used to establish a fee for service if the
26 cost is based on weight, measure or count, except that it does not include
27 those devices used for in-house packaging, inventory control or law
28 enforcement purposes.

29 4. "Commodity" means any merchandise, product or substance produced
30 or distributed for sale to or use by others.

31 5. "Correct" as used in connection with weights and measures means
32 conformance to all applicable requirements of this chapter.

33 6. "Department" means the department of weights and measures.

34 7. "Diesel" means a refined middle distillate for use as a fuel in a
35 compression-ignition internal combustion engine.

36 8. "Director" means the director of the department of weights and
37 measures.

38 ~~9. "Executive sedan" means a motor vehicle used as a taxi and a~~
39 ~~limousine.~~

40 ~~10. 9. "Inspector" means state officials of the department of weights~~
41 ~~and measures.~~

42 ~~11. 10. "Limousine" means a motor vehicle PROVIDING PREARRANGED GROUND~~
43 ~~TRANSPORTATION SERVICE FOR AN INDIVIDUAL PASSENGER, OR A GROUP OF PASSENGERS,~~
44 ~~THAT IS ARRANGED IN ADVANCE OR IS OPERATED ON A REGULAR ROUTE OR BETWEEN~~
45 ~~SPECIFIED POINTS AND INCLUDES GROUND TRANSPORTATION UNDER A CONTRACT OR~~

1 AGREEMENT FOR SERVICES THAT INCLUDES A FIXED RATE OR TIME AND IS PROVIDED IN
2 A MOTOR VEHICLE WITH A SEATING CAPACITY NOT EXCEEDING FIFTEEN PASSENGERS
3 INCLUDING THE DRIVER. ~~that is designed by the manufacturer and identified~~
4 ~~by the vehicle registration as a limousine if both the limousine and a driver~~
5 ~~are provided for hire solely by individual agreement and the service is not~~
6 ~~available for open solicitation by passengers on streets or at taxi stands.~~

7 12. 11. "Liquid fuel measuring device" means any meter, pump, tank,
8 gauge or apparatus used for volumetrically determining the quantity of any
9 internal combustion engine fuel, liquefied petroleum gas or low viscosity
10 heating oil.

11 12. "LIVERY VEHICLE" MEANS A MOTOR VEHICLE THAT:

12 (a) HAS A SEATING CAPACITY NOT EXCEEDING FIFTEEN PASSENGERS INCLUDING
13 THE DRIVER.

14 (b) PROVIDES PASSENGER SERVICES FOR A FARE DETERMINED BY A FLAT RATE
15 OR FLAT HOURLY RATE BETWEEN GEOGRAPHIC ZONES OR WITHIN A GEOGRAPHIC AREA.

16 (c) IS AVAILABLE FOR HIRE ON AN EXCLUSIVE OR SHARED RIDE BASIS.

17 (d) MAY DO ANY OF THE FOLLOWING:

18 (i) OPERATE ON A REGULAR ROUTE OR BETWEEN SPECIFIED PLACES.

19 (ii) OFFER PREARRANGED GROUND TRANSPORTATION AS DEFINED IN SECTION
20 28-141.

21 (iii) OFFER ON DEMAND GROUND TRANSPORTATION SERVICE PURSUANT TO A
22 CONTRACT WITH A PUBLIC AIRPORT, LICENSED BUSINESS ENTITY OR ORGANIZATION.

23 13. "Motor fuel" means biodiesel or a petroleum or a petroleum based
24 substance that is motor gasoline, aviation gasoline, number one or number two
25 diesel fuel or any grade of oxygenated gasoline typically used in the
26 operation of a motor engine.

27 14. "Package" means any commodity enclosed in a container or wrapped
28 in any manner in advance of sale in units suitable for either wholesale or
29 retail trade.

30 15. "Person" means both the plural and the singular, as the case
31 demands, and includes individuals, partnerships, corporations, companies,
32 societies and associations.

33 16. "Primary standards" means the physical standards of the state that
34 serve as the legal reference from which all other standards and weights and
35 measures are derived.

36 17. "Public weighmaster" means any person who is engaged in any of the
37 following:

38 (a) The business of weighing any object or thing for the public
39 generally for hire or for internal use and issuing for that weighing a weight
40 certificate intended to be accepted as an accurate weight upon which a
41 purchase or sale is to be based or on which a service fee is to be charged.

42 (b) The business of weighing for hire motor vehicles, trailers or
43 semitrailers and issuing weight certificates intended to be accepted as an
44 accurate weight for the purpose of determining the amount of any tax, fee or
45 other assessment on the vehicles.

1 18. "Registered service agency" means any agency, firm, company or
2 corporation that for hire, award, commission or any other payment of any kind
3 installs, services, repairs or reconditions a commercial device or tests or
4 repairs vapor recovery systems or vapor recovery components and that has been
5 issued a license by the department.

6 19. "Registered service representative" means any individual who for
7 hire, award, commission or any other payment of any kind installs, services,
8 repairs or reconditions a commercial device or tests or repairs vapor
9 recovery systems or vapor recovery components and who has been issued a
10 license by the department.

11 20. "Retail seller" means a person whose business purpose is to sell,
12 expose or offer for sale or use any package or commodity by weight, measure
13 or count.

14 21. "Sale from bulk" means the sale of commodities when the quantity
15 is determined at the time of sale.

16 22. "Secondary standards" means the physical standards that are
17 traceable to the primary standards through comparisons, using acceptable
18 laboratory procedures, and that are used in the enforcement of weights and
19 measures laws and rules.

20 ~~23. "Sedan" means a motor vehicle with a seating capacity of less than~~
21 ~~sixteen passengers, excluding the driver, and that meets all of the following~~
22 ~~requirements:~~

23 ~~(a) Has at least two doors for passenger ingress and egress.~~

24 ~~(b) Is furnished for hire on an exclusive basis.~~

25 ~~(c) Has a charge or fare based on a geographic area.~~

26 24. 23. "Taxi" means a motor vehicle THAT HAS A SEATING CAPACITY NOT
27 EXCEEDING FIFTEEN PASSENGERS, INCLUDING THE DRIVER, THAT IS REGISTERED AS A
28 TAXI IN THIS STATE OR ANY OTHER STATE, THAT PROVIDES PASSENGER SERVICES AND
29 THAT:

30 (a) DOES NOT OPERATE ON A REGULAR ROUTE OR BETWEEN SPECIFIED PLACES.

31 (b) OFFERS LOCAL TRANSPORTATION FOR A FARE DETERMINED PRIMARILY ON THE
32 BASIS OF THE DISTANCE TRAVELED. ~~, not including a limousine, that meets all~~
33 ~~of the following requirements:~~

34 ~~(a) Has a seating capacity of less than sixteen passengers, excluding~~
35 ~~the driver.~~

36 ~~(b) Has at least two doors for passenger ingress and egress.~~

37 ~~(c) Is furnished for hire on an exclusive basis.~~

38 ~~(d) Has a charge or fare based on time or mileage or both time and~~
39 ~~mileage.~~

40 25. 24. "Taxi meter" means a commercial device that meets the
41 requirements of the national institute of standards and technology handbook
42 44 as prescribed by section 41-2064.

43 26. 25. "Weight" as used in connection with any commodity means net
44 weight.

1 27- 26. "Weights" or "measures", or both, means all weights, measures,
2 meters or counters of every kind, instruments and devices for weighing,
3 measuring, metering or counting and any appliance and accessories associated
4 with any or all such instruments and devices.

5 Sec. 12. Section 41-2052, Arizona Revised Statutes, as added by Laws
6 2003, chapter 168, section 15, is amended to read:

7 41-2052. Political subdivisions; taxis, limousines

8 This title does not prohibit a political subdivision of this state or
9 a public airport operator that operates a public airport pursuant to section
10 28-8421, 28-8423 or 28-8424 from establishing the number of LIVERY VEHICLES,
11 taxis, ~~OR limousines, sedans or executive sedans~~ that may conduct business
12 in the political subdivision or at a public airport operating pursuant to
13 section 28-8421, 28-8423 or 28-8424 or from setting additional or more
14 restrictive requirements for the conduct of that business.

15 Sec. 13. Section 41-2091, Arizona Revised Statutes, as amended by Laws
16 2003, chapter 168, section 16, is amended to read:

17 41-2091. Licensing devices used for commercial purposes;
18 authorization to test devices used for all other
19 purposes; fees; certification; transaction privilege
20 tax license records; notification; issuance and
21 revocation of license

22 A. A person shall not use a commercial device unless the device is
23 licensed or certified as provided in this chapter.

24 B. A license shall be obtained annually from the department on forms
25 prescribed and furnished by the department. The fee prescribed in this
26 chapter shall be submitted with the prescribed form. A license shall be
27 obtained not later than thirty days following the first day of commercial use
28 for original installations. If the ownership of a device that is licensed
29 is transferred, the ownership of the license may be transferred. On transfer
30 of a license, new licensees shall notify the department of the licensee's
31 name and address and the location of the device. A license for a device
32 shall be posted at the licensed business location in a manner that provides
33 the department access to the license during normal business hours.

34 C. If a fare is based on time or mileage or both time and mileage, a
35 sedan TAXI shall have a commercial device and shall obtain a license as
36 prescribed by the department.

37 D. Any license issued under this chapter applies only to the
38 instrument or device specified in the license, except that the director may
39 permit the license to be applicable to a replacement for the original
40 instrument or device.

1 E. Noncommercial devices may be tested by the department pursuant to
2 this chapter. A weighing device owned by a person who uses it only for the
3 purpose of weighing the person's own livestock or agricultural products and
4 for no commercial purposes is declared to be a noncommercial device, and the
5 owner of the device is exempt from paying any licensing fees collected
6 pursuant to this chapter.

7 F. If a commercial livestock scale is used for thirty or more days in
8 a calendar year, the scale is required to be licensed. If a commercial
9 livestock scale is used for fewer than thirty days in a calendar year, the
10 scale is required to be certified. If an owner or operator of a commercial
11 livestock scale requests that the department certify the scale, the
12 certification fee shall be comparable to the license fee prescribed in
13 section 41-2092. If an owner or operator of a noncommercial scale requests
14 that the department certify the scale, the certification fee shall be
15 comparable to the license fee prescribed in section 41-2092.

16 G. At the request of the owner or user of a portable batch plant, the
17 department may certify the portable batch plant. If the department certifies
18 a portable batch plant, the certification fee shall be comparable to the
19 license fee prescribed in section 41-2092.

20 H. Any portable measuring device that is five gallons or less and that
21 is properly marked by the manufacturer according to standards established by
22 the national institute of standards and technology shall be exempt from the
23 licensing and certification provisions of this chapter.

24 I. For the purpose of ascertaining compliance with the licensing
25 provisions of this article, the department of revenue shall provide the
26 department of weights and measures with a monthly report of all transaction
27 privilege tax licenses issued in the prior month. The report shall include
28 the business name, type of business and business address of the licensee.

29 J. The department of revenue shall annually notify each transaction
30 privilege tax licensee that the licensee is required to register new or
31 existing weighing or measuring devices with the department of weights and
32 measures.

33 K. The department shall not issue a license for a taxi, LIVERY VEHICLE
34 OR limousine, ~~executive sedan or sedan~~ unless the taxi, LIVERY VEHICLE OR
35 limousine, ~~executive sedan or sedan~~ meets the requirements for both of the
36 following:

37 1. Motor vehicle licensing as prescribed by the department of
38 transportation.

39 2. Motor vehicle insurance as prescribed by section 28-4033.

40 L. The department shall revoke a license if the taxi, LIVERY VEHICLE
41 OR limousine, ~~executive sedan or sedan~~ fails to maintain the requirements for
42 either of the following:

43 1. Motor vehicle licensing as prescribed by the department of
44 transportation.

45 2. Motor vehicle insurance as prescribed by section 28-4033.

1 M. A taxi, ~~OR LIVERY VEHICLE limousine, executive sedan or sedan~~
2 shall have a license issued under this chapter posted on the outside of the
3 rear window as required by the department. A LIMOUSINE SHALL CARRY A LICENSE
4 ISSUED UNDER THIS CHAPTER INSIDE THE VEHICLE AT ALL TIMES.

5 Sec. 14. Section 41-2095, Arizona Revised Statutes, as added by Laws
6 2003, chapter 168, section 18, is amended to read:

7 41-2095. Meters; duplicate receipts

8 A. Every taxi that has a charge or fare based on time or mileage or
9 both time and mileage shall have a taxi meter.

10 B. The taxi meter shall be visible to the passengers of a taxi or
11 ~~executive sedan. The taxi meter indicator reading shall be visible to the~~
12 ~~passengers of a limousine unless the licensee posts a sign visible to the~~
13 ~~passengers in letters at least one-quarter inch in height that states that~~
14 ~~a passenger can ask to see the meter reading.~~

15 C. If a taxi has the capability of producing a duplicate receipt, the
16 driver shall print the duplicate receipt and provide the duplicate receipt
17 to the passenger paying the fare.

18 Sec. 15. Section 41-2096, Arizona Revised Statutes, as added by Laws
19 2003, chapter 168, section 18, is amended to read:

20 41-2096. Signage

21 A. A taxi, ~~OR LIVERY VEHICLE limousine or executive sedan~~ shall
22 display interior signage that contains the licensee's business name and
23 address and that is all of the following:

- 24 1. Permanent.
25 2. In letters at least one-half inch in height.
26 3. Readily visible.
27 4. Accurately representing REPRESENTATIVE OF all fares and the fare
28 computation method.

29 B. A taxi is required to display exterior signage that contains the
30 licensee's business name and address, TELEPHONE NUMBER, that contains the
31 word "taxi" or "cab" and that is all of the following:

- 32 1. Permanent.
33 2. In letters at least three inches in height.
34 3. Readily visible and a minimum of one inch in height for fare
35 information.
36 4. Accurately representing REPRESENTATIVE OF all fares and the fare
37 computation method.

38 C. FOR PURPOSES OF THIS SECTION, A LIVERY VEHICLE SHALL DISPLAY
39 EXTERIOR SIGNAGE THAT IS READILY VISIBLE WHILE THE LIVERY VEHICLE IS NOT
40 OCCUPIED BY A PAYING PASSENGER. THE SIGNAGE MUST CONTAIN THE BUSINESS NAME
41 AND THE WORDS "LIVERY CAR" IN LETTERS AT LEAST THREE INCHES IN HEIGHT AND
42 SHALL INCLUDE FARE INFORMATION AT LEAST ONE INCH IN HEIGHT. WHEN A LIVERY
43 VEHICLE HAS ACCEPTED A PASSENGER AND A FARE HAS BEEN DETERMINED, A LIVERY
44 VEHICLE MAY REMOVE THE EXTERIOR SIGNAGE.

1 Sec. 16. Laws 2003, chapter 168, section 19 is amended to read:

2 Sec. 19. Effective date

3 This act is effective from and after ~~July 1, 2004~~ DECEMBER 31, 2004.

4 Sec. 17. Retroactivity

5 Laws 2003, chapter 168, section 19, as amended by this act, applies
6 retroactively to from and after July 1, 2004.

7 Sec. 18. FTE position; purpose

8 The department of transportation shall hire one FTE for the increased
9 workload related to the insurance provisions of this act.

10 Sec. 19. Effective date

11 Sections 1 through 15 of this act are effective from and after December
12 31, 2004.

APPROVED BY THE GOVERNOR JUNE 3, 2004.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 3, 2004.

Passed the House March 8, 2004,

Passed the Senate May 13, 2004,

by the following vote: 56 Ayes,

by the following vote: 23 Ayes,

2 Nays, 2 Not Voting

3 Nays, 4 Not Voting

Jake Flake
Speaker of the House

Klu Blumett
President of the Senate

Norman L. Moore
Chief Clerk of the House

Charmine Ballinger
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

_____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of

_____, 20____,

at _____ o'clock _____ M.

Governor of Arizona

H.B. 2458

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this _____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary of State

HOUSE FINAL PASSAGE
as per Joint Conference

Passed the House May 26, 20 04,

by the following vote: 57 Ayes,

0 Nays, 3 Not Voting

Jake Flake
Speaker of the House

Norman L. Joyce
Chief Clerk of the House

SENATE FINAL PASSAGE
as per Joint Conference

Passed the Senate May 26, 20 04,

by the following vote: 24 Ayes,

4 Nays, 2 Not Voting

Phil Bennett
President of the Senate

Charmian Billings
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor

this 27th day of May, 20 04

at 8:35 o'clock a. M.

Jennifer Ybarra
Secretary to the Governor

Approved this 3 day of

June, 20 04,

at 3:45 o'clock P. M.

J. T. Nguyen
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 3 day of June, 20 04

at 4:22 o'clock P. M.

Janice K. Brewer
Secretary of State

H.B. 2458